



DIRECTIVE 04-5

October 29, 2004

PROPERTY OF THE STATE OF NEBRASKA AND GOVERNMENTAL SUBDIVISIONS REQUIRED TO BE REPORTED PURSUANT TO NEB. REV. STAT., SECTION 77-202.13, R.S. SUPP., 2004

Purpose. To advise assessors what property is required by Neb. Rev. Stat., section 77-202.13, R.S. Supp., 2004 (LB 644) to be reported to the county board and the Property Tax Administrator.

Procedure and Implementation. This is to provide some clarification as to what property shall be reported to the county board and the Property Tax Administrator on or before December 1, 2004, and every fourth December thereafter. Neb. Rev. Stat., section 77-202.13, R.S. Supp. 2004 (LB 644), in part, requires that the following be reported:

(a) The legal description and owner of all property owned by the state or a governmental subdivision of the state; and

(b) The legal description and owner of all property subject to taxation pursuant to sections 77-202.11 and 77-202.12.

Both subsections (a) and (b) pertain to the same ownerships, which are the State of Nebraska and its governmental subdivisions (political subdivisions) in your particular county. The State of Nebraska includes agencies of the state, such as: Department of Roads, Educational Lands and Funds, Game and Parks Commission, University of Nebraska, State Colleges, Nebraska National Guard Units, Department of Aeronautics, Department of Natural Resources, etc. The state's governmental subdivisions include those entities of local government that are capable of levying a property tax, such as: county, school districts, fire districts, natural resource districts, educational service units, townships, technical colleges, cities, etc. Governmental subdivision also include public power districts and irrigation districts. Governmental subdivisions do not include organizations organized for religious, educational and charitable purposes or cemetery organizations. These are permissive exempt entities that have to file the Exemption Application (Form 451), and at this time are not required to be listed on the report.

Property owned by the Federal Government should not be included in this report.

State agencies or governmental subdivisions such as the Game and Parks Commission that pay an in lieu of tax on a parcel of land should be listed as owning property under subsection (a) and are not required to be listed as an entity that is paying a property tax pursuant to subsection (b).

The reason that these entities should not be listed under subsection (b) is that subsection (b) only requires those state agencies or governmental subdivisions that own property that is subject to taxation for property tax purposes. In lieu of taxes are not property taxes but are payments made in place of property taxes.

To satisfy the requirements of subpart (a), the assessor should list all exempt property owned by the various state agencies and governmental subdivisions including those that pay an in lieu of tax, along with the legal description of each parcel. To satisfy the requirements of subpart (b), the assessor should list all taxable property owned by the various state agencies and governmental subdivisions along with the legal descriptions.

The format for the filing with the Department shall follow the requirements of our letter dated October 8, 2004.

APPROVED

Catherine D. Lang
Property Tax Administrator
October 29, 2004